

**Pension – past service purchasing - from Bulletin sent July 28<sup>th</sup>, 2022**

Many members have already explored or are currently exploring options to purchase past service in the BC College Pension Plan. A number of questions have arisen, however, about particular aspects of the buy-back process. While SFUFA has had direct contact with the BCCPP, it is only in recent days that we have found someone at Sun Life to help manage communications. We have been told that Sun Life has updated its process and staff directions to ensure that all Client Care Centre representatives have the appropriate information. Sun Life reps should now also have a copy of the BCCPP's transfer form so that call centre representatives can follow along with the member to help complete the form.

What follows are the direct instructions we have been provided by Sun Life for members who choose to use Sun Life pension plan funds to purchase service in the BCCPP. Please also note – while often a tax form (T2151) is required to transfer funds, in this instance it is **not** necessary; the forms provided by BCCPP will suffice. For any transfers other than Sun Life Pension to BCCPP, please check with your financial institution(s).

The information below, direct from Sun Life, lays out what is required when completing the BCCPP transfer form.

- Plan No. – please have the member put their Sun Life account number
- Name of RRSP/RPP Plan - Simon Fraser University Retirement Program for Academic Staff
- RRSP/RPP issuer name – Sun Life
- RRSP/RPP issuer address – PO Box 2025 Stn Waterloo, Waterloo, ON N2J 0B4
- Amount – to be completed by member (either dollar amount or 'ALL')
- Member signature/date is required to process the form

|   |                        |             |
|---|------------------------|-------------|
| <b>RRSP/RPP administrator instructions</b>  |                        |             |
| <ul style="list-style-type: none"><li>Contact the plan member if you have any questions regarding the details of this transfer.</li><li>Forward completed form, with cheque attached to the pension plan.</li><li>RRSP/RPP must be in plan member's name before money can be transferred.</li></ul>                                     |                        |             |
| PLAN NO.  | NAME OF RRSP/RPP PLAN  |             |
| RRSP/RPP ISSUER NAME  |                        |             |
| RRSP/RPP ISSUER ADDRESS (include unit no., if applicable)   |                        |             |
| CITY OR TOWN  | PROVINCE               | POSTAL CODE |
| AMOUNT TO BE TRANSFERRED<br>Please transfer the lump sum of (net of fees)   | \$                     |             |
| <b>College pension plan/transferee information</b>  |                        |             |
| <ul style="list-style-type: none"><li>When the College Pension Plan receives the lump sum payment, we will credit it to the plan member under the plan identified above as a direct transfer.</li><li>The plan is registered under the <i>Income Tax Act</i>.</li><li>The name of the transferee is the College Pension Plan.</li></ul> |                        |             |
| PLAN MEMBER SIGNATURE   | DATE SIGNED YYYY-MM-DD |             |

Once the form is completed, it can be returned using Sun Life's mobile app. Photograph or scan your form, and submit via the *Documents* icon on the bottom of the screen in the mobile app. This is the preferred option so as to avoid the risk that physical mail may not deliver documents in time.

Once the forms are processed by Sun Life and delivered to the BCCPP, it will take one-two weeks to appear in their system as received. They will then need to submit amounts for CRA verification to ensure that the amounts are allowable, which may take some weeks.

Once all the formal processes are complete, it could still be some months before past service is reflected in pension benefits paid; members who are retiring within the year should take note of the potential delay before cheques cover the full amount. We are working with BCCPP to see if there is a way to expedite this for those approaching their retirements, but for now members should be aware that they may see a few months of lower pension benefits before all adjustments can be made and pension cheques stabilize at the correct amount.

### **Pension Transition** - from Bulletin sent July 7, 2022

The process under which members can elect to buy past service in the BCCPP is well-underway. Many members have already initiated the process, but several people have asked questions regarding specific steps. Any members who are having difficulty navigating the system are welcome to contact SFUFA's Executive Director, Brian Green, at [bsgreen@sfu.ca](mailto:bsgreen@sfu.ca). Brian will connect you with someone to help address any questions. The Association cannot provide financial advice, or recommend whether or not to purchase service, but we will do all we can to help make sense of what is required to work through the process.

Two other issues have been raised with us, and we have consulted with the BCCPP for answers: the process for those who do not wish to purchase service now but may want the opportunity to do so next year (2023);

- what to do if you are on study leave or otherwise away from your home address and unable to access the information BCCPP has sent to you

### *Considering Past Service Purchase in 2023*

As previously noted, the BCCPP has indicated that a second opportunity to purchase service will be available in 2023. Members who are considering this option will need to submit an application for calculation *even if they already did so for this round*. The second window to apply is open now, and the deadline to submit a second application is December 31, 2022. You will need to contact SFU pensions to request an application form – to do so, please write to [pensions@sfu.ca](mailto:pensions@sfu.ca)

For further details on purchase of past service, please refer to the following information on the CPP plan website: <https://college.pensionsbc.ca/deadlines-for-buying-past-service>

Members should also be aware that while calculations in this cycle were free, those who seek calculations for possible purchase of service next year will have to contribute to the cost of that

calculation. Costs up to \$500 must be paid by the member; anything above this will be paid by SFU. Finally, we understand that members may only purchase past service in one or the other window – that is, *you cannot purchase past service in this cycle and additional service in the next cycle.*\*\*\*

**\*\*\* Please note: upon further investigation, the BCCPP clarified this, as there are only specific situations that would prevent one from participating in both years. Members MAY purchase service again in 2023, provided the following do not apply:**

*There are two scenarios that would prevent a member from applying during the second opportunity:*

- 1) The member reached the latest retirement age (age 71) in 2022, or*
- 2) The member ends their employment with SFU and does not submit their application to SFU within 30 days of their termination date*

*Members who do not meet those criteria can submit an application to SFU by December 31, 2022 to be included in the next round of cost statements. Members who received a cost statement this year, including those who have completed a partial purchase, can submit another application. Members who reach the age of 71 need to submit an application before September 15, 2022 so they can complete their purchase before the end of the calendar year.*

### *Away from Home?*

For members who are not able to retrieve their past service statement of cost due to being away from their mailing address for an extended period of time, the BCCPP has provided the following information:

- If the member has their Person ID number (PID), they can register for My Account. They will be able to find information about their pension online and can also send a request using the secure messaging in My Account for a copy of their past service statement to be sent electronically.  
<https://college.pensionsbc.ca/register-for-my-account>
- If the member does not have their Person ID number (PID), they can contact the College Pension Plan by phone. The member will be asked other questions to verify their identity, and once verified, the BCCPP can initiate sending a copy of the past service statement of cost. Our phone lines are answered Monday – Friday, 8:00am to 4:30pm (Pacific Standard Time).  
College Pension Plan General enquiries: **1-888-440-0111** (toll free in Canada and U.S)  
<https://college.pensionsbc.ca/web/college/contact-us>

**Pension Transition – purchasing past service** - from Bulletin sent June 15, 2020

The next step of transition to the BCCPP – purchase of past service - is now underway. This part of the process is entirely voluntary, and impacts only those who applied for a statement of cost to buy past service. Please note that while we endeavour to provide information that is as complete and as accurate as possible, ultimately members should confirm critical information with the BCCPP and/ or Sun Life as appropriate.

There are three major points to be aware of:

- 1) Statements of cost of previous service were mailed out on June 13;
- 2) There is a limited window of time in which decisions can be made and processes completed to purchase years of service;
- 3) if you use any portion of your Sun Life (Academic Pension Plan) pension to purchase past service with the BCCPP, you must close your Sun Life pension account. You are not required to transfer all of these funds to the BCCPP, but if you choose to buy past service, anything remaining in your Sun Life pension account must be moved to another retirement vehicle, such as an RRSP or annuity.
- 4) Faculty members are encouraged to seek independent financial advice before making any decisions.

Further details on the above were sent to members by VPA Catherine Dauvergne and SFUFA President Kumari Beck on Monday 13; to review that communication, please see: <https://www.sfufa.ca/pension-buy-back-update/>

For those who choose not to purchase past service at this time, the BCCPP has indicated that a second window will be opened in 2023. Details of that are not yet available, but members should be aware that the next round will require members to pay for the cost of calculating the price of past service. Costs up to \$500 must be paid by the member; anything above this will be paid by SFU.

For any questions related to the purchase of past service and/ or the transfer of Sun Life funds, please reach out to the organizations directly.

For BCCPP: Visit <https://college.pensionsbc.ca/college-pension-plan>

Telephone: 1-888-440-0111

For Sun Life: Visit <https://www.sunlife.ca/en/>

Telephone: 1-866-733-8612